ENTITLED, An Act to revise the provisions for residential bid preference.

## BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That § 5-19-3 be amended to read as follows:

5-19-3. If a contract is let by the state, a department thereof, any county, municipality, school district, or other public corporation of the state for the erection, construction, alteration, or repair of any public building, other structure, or addition thereto, or for any public work or improvement or for the purchase of any goods, merchandise, supplies, or equipment of any character, the contract shall be let to the lowest responsible bidder. However, a resident bidder shall be allowed a preference on a contract against the bid of any bidder from any other state of the United States or any state or province of any foreign country which enforces or has a preference for resident bidders. The amount of the preference given to the resident bidder shall be equal to the preference in the other state or province.

Section 2. That chapter 5-19 be amended by adding thereto a NEW SECTION to read as follows: In complying with the requirements of § 5-19-3 regarding a bidder from another country, the state, any department thereof, any county, municipality, school district, or other public corporation may rely on an affidavit submitted with the bid stating the bidder's home country, state, or province does not enforce a preference for resident bidders, or if the bidder's home country, state, or province does enforce a preference for resident bidders, stating the nature and extent of that preference.

Section 3. That chapter 5-19 be amended by adding thereto a NEW SECTION to read as follows:

If a bidder submits an affidavit that falsely states that the bidder's home country, state, or province does not enforce a preference for resident bidders or that any preference is less than it actually is and if the false affidavit results in the bidder being awarded the contract, the bidder shall be penalized. The bidder's penalty is the lesser of ten percent of its contract or the amount of the preference enforced

SB No. 217 Page 1

by its home country, state, or province. In addition to this monetary penalty, the contracting public corporation may cancel the bidder's contract. Nothing in this section may be deemed to impose on the state, any department thereof, any county, municipality, school district, or other public corporation a duty to determine for itself the veracity of any affidavit regarding preferences submitted by a bidder.

SB No. 217 Page 2

An Act to revise the provisions for residential bid preference.

| I certify that the attached Act originated in the | Received at this Executive Office this day of,            |
|---|---|
| SENATE as Bill No. 217                            | 20 at M.  |
| Secretary of the Senate                           | By for the Governor                                       |
| President of the Senate                           | The attached Act is hereby approved this day of, A.D., 20 |
| Attest:   |   |
| Secretary of the Senate                           | Governor  |
|   | STATE OF SOUTH DAKOTA,                                    |
| Speaker of the House                              | Office of the Secretary of State                          |
| Attest:   | Filed, 20<br>at o'clock M.                                |
| Chief Clerk                                       |   |
|   | Secretary of State  |
| C DUN 017   | By  |
| Senate Bill No217_ File No Chapter No             | Asst. Secretary of State                                  |